

Heber Public Utility District

REPORT TO BOARD OF DIRECTORS

MEETING DATE: November 19, 2015.

FROM: Laura Fischer, General Manager

SUBJECT: Authorize the purchase of a used dump truck from KC Welding & Rentals, Inc..

ISSUE:

Shall the Board of Directors authorize the purchase of a used dump truck from KC Welding & Rentals, Inc. for the amount of \$44,274.60?

GENERAL MANAGER'S RECOMMENDATION:

It is recommended that the Board of Directors authorize the purchase of a used dump truck from KC Welding & Rentals, Inc. for the amount of \$44,274.60.

FISCAL IMPACT:

The FY 2015-16 budget did not include the purchase of a used dump truck. It was included in the FY 2014-15 budget, but staff was not able to locate a dump truck that was acceptable. The funds were not carried over into the 2015-16 FY.

The FY 2015-16 budget has funding for two new trucks, and these were ordered in August. The cost of the two new trucks (one diesel full size and one gas mid-size) was less than budgeted. See Table Below:

DUMP TRUCK FUNDING ANALYSIS					
FUNDS	FY 2015-16 Equipment Budget	Amount Obligated for Gas and Diesel Truck Purchases	Available Equipment Purchases	COST OF DUMP TRUCK	Equipment Outlay Balance
Parks Fund	20,000	10,000	10,000	10,000	-
Water Fund	45,000	21,912	23,089	18,392	4,697
Wastewater Fund	45,000	29,117	15,884	15,884	-
TOTAL	110,000	61,028	48,972	44,275	4,697

The total cost for the 2006 Dump Truck including tax is \$44,274.60.

DISCUSSION:

Locating a used dump truck that is in good shape has been time consuming. We have tested a few and have located a couple that meet our criteria. We need a used dump truck that is not corroded, has a good motor with low miles, has all of the safety features and will not require immediate repair or maintenance. The dump truck we are considering is a 2006 Diesel Freightliner Cummins Unit with about 52,000 miles and a hauling capacity of 5-7 yards. The truck is a rental at K-C Welding & Rentals, Inc.

The dump truck is needed to improve the efficient operations in the District. Currently, when HPUD makes repairs to water lines, the area is dug out, repairs are made, and the areas is left open until we rent a dump truck to haul in material to fill. It is also needed to bring in materials prior to installing asphalt or cement. During the winter months the cut area may be left open for several weeks as we wait for multiple areas to fill before we rent the dump truck to haul materials. Additionally the dump truck is used to haul the dried sludge from the back wash filters and from cleaning the water ponds; hauling dried sludge from the drying beds at the wastewater treatment plant; moving dirt and other materials needed at the parks.

CONCLUSION:

Having a dump truck readily available for staff to haul dirt either to excavate a water and/or sewer break or to fill areas in the water, wastewater, and parks department, will improve our operations to make them more efficient. The funds are available in the FY 2015-16 equipment outlay budget.

As the dump truck is in good condition and is reasonably priced; it is needed to improve operations and efficiency of the District; and there are sufficient funds available, it is recommended that the HPUD Board authorize the purchase of a 2006 used dump truck from K-C Welding & Rentals, Inc. in the amount of \$44,274.60.

ALTERNATIVES:

- 1) Do not authorize the purchase of the dump truck from K-C Welding & Rentals, which will require continued rental of equipment when needed.
- 2) Do not authorize the purchase of this specific dump truck, but direct staff to continue to search for a suitable dump truck with different criteria and price.
- 3) Provide alternate direction to staff.

Respectfully Submitted,

Laura Fischer, General Manager